IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

AMERICAN INTERNATIONAL GROUP, INC., et al.,)
Plaintiffs, vs.) No. 07 CV 2898
ACE INA HOLDINGS, INC., et al., Defendants.) District Judge Robert W. Gettleman)) Magistrate Judge Sidney I. Schenkien)
SAFECO INSURANCE COMPANY OF AMERICA, et al., individually and on behalf of a class consisting of members of the National Workers Compensation Reinsurance Pool, Plaintiffs, vs. AMERICAN INTERNATIONAL GROUP, INC., et al.,))) No. 09 CV 2026)) District Judge Robert W. Gettleman)) Magistrate Judge Sidney I. Schenkier))
Defendants.)

NOTICE OF FILING

TO: All Parties of Record (ECF Filing)

PLEASE TAKE NOTICE that on December 5, 2011, we filed with the United States District Court for the Northern District of Illinois the Demonstrative Exhibits which the Settlement Class Plaintiffs tendered to the Court in connection with the hearing of November 29, 2011.

DATED: December 5, 2011

Respectfully submitted,

ACE INA HOLDINGS, INC., AUTO-OWNERS INSURANCE CO., COMPANION PROPERTY & CASUALTY INS. CO., FIRSTCOMP INSURANCE CO., THE HARTFORD FINANCIAL SERVICES GROUP, INC., TECHNOLOGY INSURANCE CO., and THE TRAVELERS INDEMNITY COMPANY

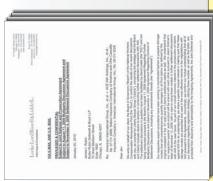
By /s/ Frederic R. Klein
One of Their Attorneys

Frederic R. Klein William C. Meyers Kerry D. Nelson GOLDBERG KOHN LTD. 55 East Monroe Street, Suite 3300 Chicago, IL 60603 (312) 201-4000

Index of Settlement Class Plaintiffs' Demonstrative Exhibits for November 29, 2011 Final Fairness Hearing

- 1. January 20, 2010 Agreement Between NWCRP Board And Liberty Regarding Limits on Negotiating Authority
- 2. Chronology of Examiner's Role in Procuring \$450M Settlement Offer
- 3. Liberty's Misconduct
- 4. After Expiration of Objection/Opt-out Period: Support for and Objections to \$450 Million Settlement Fund
- 5. 1% Allocation Chart
- 6. Summary of Objectors' Position On The Adequacy of Settlement Class Plaintiffs

January 20, 2010 Agreement Between NWCRP Board And Liberty Regarding Limits On Negotiating Authority



representatives to discuss the settlement strategy for such meetings, so that an understanding can AIG and/or David Leslie. Prior to such meetings, Liberty will meet and confer with the Board's 2. Liberty shall promptly advise the Board's outside counsel of any meetings scheduled with be reached as to the settlement strategy to be employed, including disclosure of the opening offers to be made in each session..

Committee, may, in the Board's discretion, attend any meetings with AIG to observe the 4. A Board representative, specifically a company representative from the Settlement discussions... 8. Liberty's authority to speak on behalf of the Board will terminate the earliest of the following events

a. February 26, 2010, unless extended; or

b. 24 hours notice from counsel for the Board to counsel for Liberty (in writing or by email)...

R. 519-1, Settlement Class Plaintiffs' Memorandum of Law in Opposition to Objectors' Motions for Fees and Costs, Exhibit C, Third Supplemental Declaration of Rowe W. Snider, Exhibit A

Chronology Of Examiner's Role In Procuring \$450M Settlement Offer

presentation to representatives of the NWCRP Board and Liberty November 19, 2009 Examiner makes a Meeting of all participants held at Examiner's offices in Boston, MA; settlement proposals are exchanged but positions of AIG and NWCRP remain far apart

Examiner and some of the Lead State regulators meet with AIG's CEO and general counsel to encourage AIG to increase its initial settlement offer June 25, 2009

December 2, 2009

Examiner meets with

underreporting and urges the NWCRP Board to take actions to facilitate settlement

to the Board regarding his findings related to AIG's

quarterly meeting and makes a presentation

Examiner attends the NWCRP Board's

representatives of AIG and representatives of the NWCRP Board and AIG makes significantly higher cash payment offer (\$375M) August 11, 2009

March 3, 2010

Examiner, certain Lead State regulators, Merlinos, Liberty, Liberty's outside counsel and a NWCRP Board Representative met in the Examiner's office to discuss the AlG Multistate Examination's premium reallocation methodology and suggestions for further settlement negotiations

Examiner continues to meet with AIG to encourage it to make an enhanced settlement offer

June 2010 to July 2010

counsel and experts, and Vice-Chair of the NWCRP Board Examiner holds meeting at his office with Liberty, its outside counsel and experts, representatives of AIG and its

 Liberty presents its position and the position of the NWCRP Board regarding settlement to the AIG representatives

Meeting takes place among various representatives of the NWCRP Board; LLBL; NWCRP litigation counsel (Schiff); various AIG representatives, including litigation counsel and corporate general counsel; Sean McSweeney, Liberty's in-house counsel; Michael Walsh, as lead litigation counsel for Safeco/Chio Casualty; and the Examiner to discuss global settlement

July 19, 2010

Examiner and the state insurance regulators encourage AlG during a meeting to proceed per the Examiner's recommendations regarding settlement

nrious Pack: LLBL; NWCRP Pack: LLBL; NWCRP Porty's in-house porty's in-house and litigation October 6, 2010 NWCRP and the Examinar meek with Alc in falled attempt to increase AIGO offer from \$450M to \$5

Spring to Summer

July 19 - 29, 2010

June 22, 2010

market settlement

August 2, 2010

Filed: 12/05/11

September 21, 2010

Pursuant to the resolution passed by the Board, Jenkins Communicates to the Examiner, settle the litigation in its entirety, \$515M, which letter was authorby NWCRP Board and Liberty

makes a written settlement proposal to settle the litigation in its entirety for assumption of outstanding residual market claim liabilities a cash payment of \$450M and

July 29, 2010

Sean McSweeney writes to the Examiner indicating a "\$500M settlement of the class with AIG at Examiner communicates AIG's written offer to counsel for the NWCRP Board and counsel for Liberty August 9, 2010

the highest level"

September 27, 2010
September 27, 2010
Thomas Russo writes to Example in response to Nuckers & September 21, 2010 letter and reflectance \$450M settlement offer - an offer that accords not yalue to AIG's counterclaims

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NWCRP Board copying Liberty and its counsel, regarding the status of the premium reallocation process that was ongoing since the outset of the AIG Multistate Examination Examiner sends a letter to counsel for the

Examiner shares, at Liberty's direction, Liberty's written preliminary damages position with AIG

November 4, 2009

November 5, 2009

Examiner writes to Liberty's counsel encouraging settlement discussions to continue

October 8, 2009

encouraging settlement discussions to continue

Examiner writes to counsel for NWCRP Board

September 1, 2009

ent offer after

AIG withdraws settlement offer af Court dismisses NCCI complaint

August 20, 2009

Thomas Russo, CEO and general counsel for AIG, writes to Examiner regarding Liberty's August 9, 2010 letter and reiterating \$450M offer

Examiner to initiate new settlement discussions with AIG

AIG provides Examiner with a draft residual

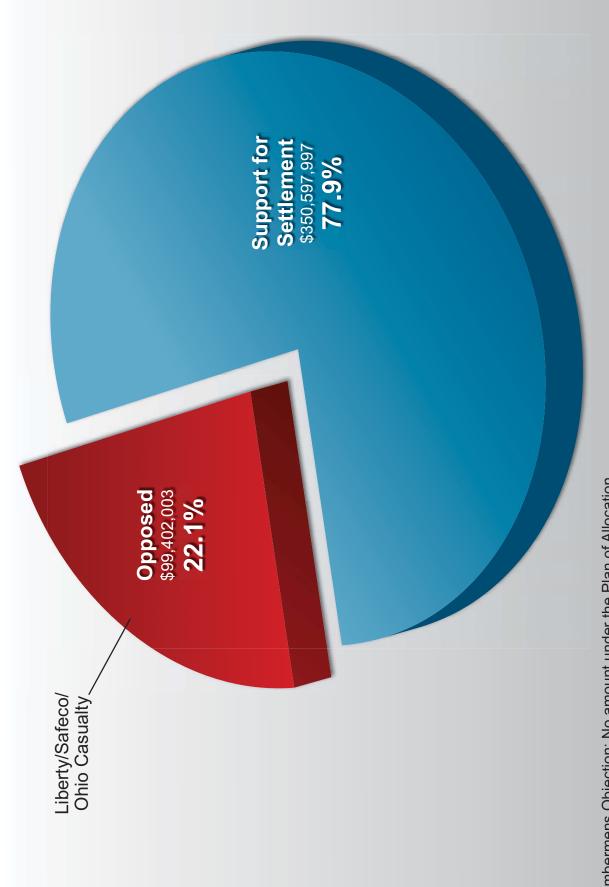
offering comments on AIG's June 22, 2010 proposal

Examiner sends aletter to AIG's general counsel

 Thomas Jenkins, on behalf of the NWCRP Board, responds to the Examiner's August 2, 2010 letter requesting a meeting with the Examiner and Russo to further discuss AIG's proposed global resolution

May 8, 2010	Liberty attends unauthorized meeting with AIG in breach of January 20, 2010 letter agreement with the NWCRP Board
August 9, 2010	Liberty letter states that it would block a global settlement between AIG and the class for \$500 million unless Liberty got a separate significant payment for its non-class claims
September 14, 2010	Liberty threatens to sue the NWCRP Board members if they tried to negotiate a class settlement with AIG without Liberty's approval
September 15, 2010	Liberty states during a NWCRP Board meeting that a class settlement of \$450 million was reasonable and would be supported by Liberty only if Liberty got a substantial separate payment for its non-Pool claims
January 13, 2011	Liberty threatens to sue the other AURs
February 14, 2011	Liberty's General Counsel sends 51 letters to 51 insurance commissioners "urging" them to instruct their agent, David Leslie, not to provide an affidavit in the Chicago residual market litigation
August 18, 2011	Liberty goes live with a website actually approved by the Court only for Safeco and Ohio Casualty in which Liberty urges class members to opt out or object
October 3, 2011	Despite urging class members to opt out, in which case they would receive no proceeds from the Plan of Allocation, Liberty objects to preserve its rights to receive \$99 million

Support For And Objections To \$450 Million Settlement Fund After Expiration Of Objection/Opt-out Period:

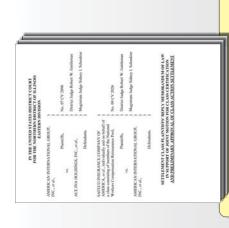


Lumbermens Objection: No amount under the Plan of Allocation RLI Opt-out: \$458 under the Plan of Allocation

1% Allocation Chart*

Group Name Continental Casualty Co. (CNA) Zurich American Insurance Co. Firemen's Fund Insurance Co. Arrowood Insurance Co. (Royal Ins Co. of America) Nationwide Mutual Insurance Co.	\$49,889,408.92 Pocument #: 57,097.76 Pocument #: 57,097.76 Pocument #: 58,883,473.87 Pocument #: 58,386,722.12.12
OneBeacon Insurance Co. Old Republic Insurance Co.	\$8,332,857.56 \$7,998,727.98
Crum and Forster Insurance Co.	131.91
State Farm Fire and Casualty Co. Electric Insurance Co.	\$6,303,935.60
Sentry Insurance Mutual Co.	\$5,302,994.85
*Does not include Settlement Class Plaintiffs	\$145,916,248.96

Summary Of Objectors' Position On The Adequacy Of Settlement Class Plaintiffs



The Objectors' attack on the adequacy of the Settlement Class Plaintiffs boils

down to this: if any company does not adopt the Objectors' position in the litigation, those companies are conflicted, their counsel are conflicted, and/or they lack the sophistication, knowledge, diligence, and integrity to reach a reasoned decision regarding the adequacy of a

settlement...

R. 386, Settlement Class Plaintiffs' Reply Memorandum of Law in Support of Joint Motion for Class Certification and Preliminary Approval of Class Action Settlement, p. 44 Case: 1:09-cv-02026 Document #: 577 Filed: 12/05/11 Page 10 of 10 PageID #:24524

CERTIFICATE OF SERVICE

The undersigned, an attorney, certifies that on December 5, 2011, he caused a true and correct copy of the Demonstrative Exhibits which the Settlement Class Plaintiffs tendered to the Court in connection with the hearing of November 29, 2011 to be served upon the parties of record via the Court's ECF/electronic mailing system.

/s/ Frederic R. Klein